



# Friendly Societies Act 1992

## 1992 CHAPTER 40

### PART VI

#### ACCOUNTS AND AUDIT

##### *Auditors' report on annual accounts*

#### 75 **[<sup>F1</sup>Auditor's rights] to information and to attend meetings.**

- (1) The [<sup>F2</sup>auditor of a friendly society is] entitled—
- (a) to access at all times to the books, accounts and vouchers of the society;
  - (b) to require from the officers of the society such information and explanations [<sup>F3</sup>as he thinks necessary for the performance of his duties as auditor];
  - (c) to receive from the society—
    - (i) notice of any general meeting of the society and of any matter relating to the business of such a meeting of which notice is given (by whatever means) to the society's members; and
    - (ii) copies of any communications sent to the society's members with respect to any such meeting; and
  - (d) to attend any general meeting of the society and to be heard on any part of the business of the meeting which concerns [<sup>F4</sup>him as auditor];
- and the [<sup>F5</sup>auditor of a registered branch has] the corresponding rights to those specified in paragraphs (a) to (d) above, with the substitution for references to the society of references to the branch.
- (2) The right to attend or be heard at a meeting is exercisable in the case of a body corporate or partnership by an individual authorised by it in writing to act as its representative at the meeting.
- (3) An officer of a friendly society is guilty of an offence if he knowingly or recklessly makes to the society's [<sup>F6</sup>auditor] a statement (whether written or oral) which—
- (a) conveys or purports to convey any information or explanations which the [<sup>F7</sup>auditor requires, or is entitled to require, as auditor] of the society; and

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- (b) is misleading, false or deceptive in a material particular.
- (4) An officer of a registered branch is guilty of an offence if he knowingly or recklessly makes to the [<sup>F8</sup>auditor] of the branch a statement (whether written or oral) which—
- (a) conveys or purports to convey any information or explanations which the [<sup>F9</sup>auditor requires, or is entitled to require, as auditor] of the branch; and
- (b) is misleading, false or deceptive in a material particular.
- (5) A person guilty of an offence under subsection (3) or (4) above is liable —
- (a) on conviction on indictment, to imprisonment for a term not exceeding 2 years, or to a fine, or to both; and
- (b) on summary conviction, to imprisonment for a term not exceeding 6 months or to a fine not exceeding the statutory maximum, or to both.
- [<sup>F10</sup>(6) Where a subsidiary of a friendly society is a company (as defined in section 1(1) of the Companies Act 2006), the subsidiary and its auditors must give to the auditors of the friendly society such information and explanations as they may reasonably require for the purposes of their duties as auditors of the society.]
- (7) If—
- (a) a subsidiary to which subsection (6) above applies fails to comply with that subsection; or
- (b) an auditor of such a subsidiary fails without reasonable excuse to comply with that subsection,
- the subsidiary or auditor is guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale.
- (8) An incorporated friendly society having a subsidiary to which subsection (6) above does not apply shall, if required by [<sup>F11</sup>its auditor] to do so, take all such steps as are reasonably open to it to obtain from the subsidiary such information and explanations as [<sup>F12</sup>he] may reasonably require for the purposes of [<sup>F13</sup>his duties as auditor] of that society.
- (9) If an incorporated friendly society fails to comply with subsection (8) above, it is guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale.

#### Textual Amendments

- F1** Words in s. 75 heading substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by [The Friendly Societies Act 1992 \(Accounts, Audit and EEA State Amendments\) Order 2008 \(S.I. 2008/1140\)](#), art. 1(2), **Sch. 2 para. 3(f)**
- F2** Words in s. 75(1) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by [The Friendly Societies Act 1992 \(Accounts, Audit and EEA State Amendments\) Order 2008 \(S.I. 2008/1140\)](#), art. 1(2), **Sch. 2 para. 3(a)(i)**
- F3** Words in s. 75(1)(b) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by [The Friendly Societies Act 1992 \(Accounts, Audit and EEA State Amendments\) Order 2008 \(S.I. 2008/1140\)](#), art. 1(2), **Sch. 2 para. 3(a)(ii)**
- F4** Words in s. 75(1)(d) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by [The Friendly Societies Act 1992 \(Accounts, Audit and EEA State Amendments\) Order 2008 \(S.I. 2008/1140\)](#), art. 1(2), **Sch. 2 para. 3(a)(iii)**

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- F5** Words in s. 75(1) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(a)(iv)**
- F6** Word in s. 75(3) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(b)(i)**
- F7** Words in s. 75(3)(a) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(b)(ii)**
- F8** Word in s. 75(4) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(c)(i)**
- F9** Words in s. 75(4)(a) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(c)(ii)**
- F10** S. 75(6) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 133(3)** (with art. 10)
- F11** Words in s. 75(8) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(e)(i)**
- F12** Word in s. 75(8) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(e)(ii)**
- F13** Words in s. 75(8) substituted (29.6.2008 with effect in accordance with art. 1(3) of the amending S.I.) by The Friendly Societies Act 1992 (Accounts, Audit and EEA State Amendments) Order 2008 (S.I. 2008/1140), art. 1(2), **Sch. 2 para. 3(e)(iii)**

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#### **Commencement Information**

- I1** S. 75 wholly in force; s. 75 not in force at Royal Assent see s. 126(2); s. 75 in force for certain purposes at 13.1.1993 by S.I. 1993/16, art. 2, **Sch. 1**; s. 75 in force for all remaining purposes at 1.1.1994 by S.I. 1993/2213, art. 2(1), **Sch. 5**

**Changes to legislation:**

There are currently no known outstanding effects for the Friendly Societies Act 1992, Section 75.